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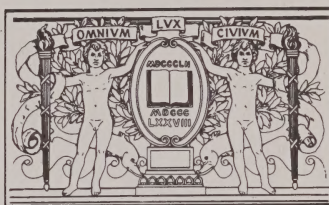
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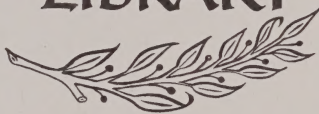
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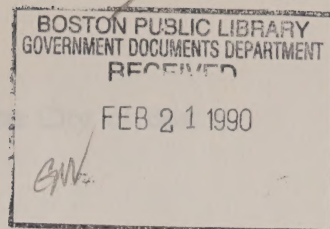


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Demographic and Housing Stock Changes

In the City of Boston, 1980 - 1986

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March, 1989

City of Boston

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Demographic and Housing Stock Changes in the City of Boston, 1980 - 1986

The recently released state study, Massachusetts Housing Inventory and Policy Indicators, provides comparative statistics and many useful insights into ways in which individual communities have changed between 1980 and 1986.¹ It also allows these changes to be seen in their regional and State context. This memo has drawn specific data from the EOCD/Abt study for a series of tables based on simple spreadsheet formats that highlight these recent changes and contrasts.

Since the City of Boston has its own, independent 1985 population and housing estimates, the EOCD/Abt study provides a useful test to see how well these different data sources agree.² Significant differences are footnoted in this memorandum which accompanies the tables 1 - 3, generated from the EOCD/Abt study data.

¹ This EOCD/Abt study, commissioned from Abt Associates, Inc. by the Executive Office of Communities and Development (EOCD), was released in July 1988. While a November 15, 1988 memo from EOCD alerts users "to certain limitations and shortcomings . . ." the Abt study is useful and unusual in that it assembles the data for each of the 351 Massachusetts cities and towns in a consistent format enabling the user to make comparisons among communities as well as to track changes in population and housing stock composition over time.

Its weaknesses lie principally in the monitoring of rents and potential double counting of subsidized housing units benefiting from more than one type of assistance. Even if the precise numbers can be contested, the comparable numbers are derived from the same sources, making the trends worth pondering.

² A total population of 573,600 persons in 1986 is over 4 percent lower than the BRA estimate of 602,000 for 1985. However, according to the EOCD/Abt data, Boston did gain population during this period, whereas the Metropolitan (MAPC) region as a whole lost 0.5 percent of its population, and towns such as Arlington lost over 8 percent.

POPULATION

Table 1A, top portion, suggests that the overall population of the City of Boston increased 1.3 percent between 1980 and 1986. Its working age population (20 - 64) grew 4.1 percent, while its population under age 20 declined by 2.5 percent and its elderly decreased by 4.0 percent.

TABLE 1A:

CITY OF BOSTON

	1980		1986		Gain '86-'80	
Total POPULATION	566,286	100.0%	573,600	100.0%	7,314	1.3%
under 20	151,238	26.7	147,530	25.7	(3,708)	-2.5
age 20 - 64	340,457	60.1	354,427	61.8	13,970	4.1
elderly (65+)	74,591	13.2	71,643	12.5	(2,948)	-4.0
Total HOUSEHOLDS	218,457		227,198		8,741	4.0%
Pop. in hholds	523,476	92.4	534,438	93.2	10,962	2.1
Mean hhold size	2.40		2.35		0.98	
Pop/occ hsg stock	2.59		2.52		0.97	
Adults/hhld	1.90		1.88		0.99	

Source: EOCD/Abt Housing Inventory + Policy Indicators, Vol. II, p. 104

Table 1B shows that meanwhile the total population in the Boston Metropolitan Area, defined as the Metropolitan Area Planning Commission (MAPC) region, decreased by 0.5 percent between 1980 and 1986, its population under age 20 dropped by 7.2 percent, its working age population increased by 2.5 percent, and its number of elderly grew 0.4 percent.

TABLE 1B:

METROPOLITAN BOSTON (MAPC Region)

	1980		1986		Gain '86-'80	
Total POPULATION	2,912,699	100.0%	2,896,810	100.0%	(15,889)	-0.5%
under 20	826,943	28.4	767,408	26.5	(59,535)	-7.2
age 20 - 64	1,707,887	58.6	1,749,864	60.4	41,977	2.5
elderly (65+)	377,869	13.0	379,538	13.1	1,669	0.4
Total HOUSEHOLDS	1,040,096		1,095,329		55,233	5.3%
Pop. in hholds	2,792,112	95.9	2,785,979	96.2	(6,133)	-0.2
Mean hhold size	2.68		2.54		0.95	
Pop/occ hsg stock	2.80		2.64		0.94	
Adults/hhld	2.01		1.94		0.97	

Source: EOCD/Abt Housing Inventory + Policy Indicators, Vol. II, p. 34

About one-fifth of the population in the MAPC region lived in Boston in 1986. Whereas the population decline in the cohorts under 20 years of age, primarily school age children, was sharp in the region, Boston lost significantly less. Still, there are proportionately more children and elderly in the suburbs, whereas Boston has more population in working age groups – and its share has been increasing.

Taking the State as a whole for reference, Table 1C, one can see that the total State population only grew 1.0 percent, while its youth under 20 declined 3.6 percent, and its working age population grew 3.4 percent.

TABLE 1C: MASSACHUSETTS STATE TOTALS

	1980		1986		Gain '86-'80
Total POPULATION	5,771,996 100.0%		5,831,920 100.0%		59,924 1.0%
under 20	1,721,520 29.8		1,659,895 28.5		(61,625) -3.6
age 20 - 64	3,288,986 57.0		3,399,767 58.3		110,781 3.4
elderly (65+)	761,490 13.2		772,258 13.2		10,768 1.4
Total HOUSEHOLDS	2,033,631		2,158,471		124,840 6.1%
Pop. in hholds	5,537,385 95.9		5,615,599 96.3		78,214 1.4
Mean hhold size	2.72		2.60		0.96
Pop/occ hsg stock	2.84		2.70		0.95
Adults/hhld	1.99		1.93		0.97

Source: EOCD/Abt Housing Inventory + Policy Indicators, Vol. II, p. 15

These tables confirm that Boston experienced a population increase and a gain in household count within a stable region. Furthermore, the age mix in the City differed from State and regional norms in significant ways. The City in 1986 had:

- 10 percent fewer than its "share" of youth under 20, compared to the State average, (dropping from 26.7 to 25.7 percent of population, vs. statewide decline from 29.8 to 28.5 percent),
- 6 percent more than its "share" of working age persons aged 20 - 64, compared to State average, this is, 61.8 percent of total population vs. 58.3 percent statewide,
- 5 percent less elderly than the norm, (dropping to 12.5 percent of population in 1986, from being on a par with the statewide norm of 13.2 percent in 1980), and
- about 10 percent fewer persons per household overall, compared to regional and statewide norms, (2.35 vs. 2.60 statewide).

HOUSEHOLDS

In number of households, the statewide average gain between 1980 and 1986 was 6.1 percent (Table 1C). The regional MAPC household change of 5.3 percent (Table 1B) was also somewhat greater than that in Boston, where the total number of households grew by only 4.0 percent (Table 1A).

Whereas the total statewide population in households only increased 1.4 percent, it dropped 0.2 percent in the MAPC region, mainly due to loss of childraising families. However in Boston, growth occurred both in the total number of households, which increased 4 percent, as well as the total population, which grew 1.3 percent.

In terms of mean household size, population per occupied housing unit, and adults per household, Boston was significantly below the MAPC norms, which in turn were below statewide averages.³

Mean household size and average number of adults per household generally declined statewide between 1980 and 1986, due largely to the maturing of the population. Children growing up and spouses becoming widowed explain most of these changes. The MAPC region appears to be leading the State in the decline in persons per household.

These data are useful for understanding the ways in which Boston's population mix is altering, compared to regional and statewide patterns. Under present trends, the City appears to be gaining younger bread-winners and some child-raising households, probably in its minority populations.⁴

³ Mean household size is obtained by dividing the household population by number of occupied housing units; population per occupied housing unit is larger to the extent that total population includes persons not living in households but in institutions, group quarters, etc. Both measures are included in these tables because one is often confused with the other. The tables also show the percent of total population living in households.

⁴ The EOCD/Abt study contains no data on racial change. However, it seems likely that Boston's minority population has continued to expand. The 1985 BRA/PFD Household Survey estimated the distribution of the City's population as 62 percent white, 25 percent black, 7 percent Hispanic, and the balance Asian and other races.

BOSTON HOUSING STOCK

The City of Boston experienced a net gain of 3.7 percent in total housing units between 1980 and 1986, as shown in Table 2A. The 1986 total of 250,384 units matches the BRA estimates very closely. The EOCD/Abt data suggest the City gained some 17,770 owner-occupants, mostly through 17,226 more resident owners in multifamily structures, plus 577 more owners of single family homes. Many of these additional owners living in multifamily structures probably moved into some of the 20,511 additional condominiums.

TABLE 2A:

CITY OF BOSTON

Housing Stock Type	1980		1986		Gain '86-'80	
Total housing stock	241,444	100.0%	250,384	100.0%	8,940	3.7%
Own-occ. units	59,504	24.6	77,274	30.9	17,770	29.9
Single family	29,887	12.4	30,464	12.2	577	1.9
Multifamily	29,495	12.2	46,721	18.7	17,226	58.4
Renter-occ. units	158,953	65.8	149,924	59.9	(9,029)	-5.7%
Mobile homes	307	0.1	228	0.1	(79)	-25.7
Seasonal units	140	0.1	135	0.1	(5)	-3.6
Vacant year-round	22,847	9.5	23,050	9.2	203	0.9
Condominiums	5,218	2.2	25,729	10.3	20,511	393.1%

CHANGE '80 - '86:

Total stock change Condominium change

Gross additions	10,334	100.0%	20,511	100.0%
New construction	5,796	56.1	2,512	12.2
Adapt.re-use conv.	4,358	42.2	1,013	4.9
Rental conversions			16,986	82.8
Demolitions	1,394	-13.5		
Net change	8,940	86.5		

Source: EOCD/Abt Assoc. Housing Inventory + Policy Indicators, Vol. II, p. 447

Note that only 5,218 condominiums existed in 1980, a mere 20 percent of Boston's total of 25,729 condominiums in 1986.⁵ By 1986, 10.3 percent of the City's total housing

⁵ The condominium total and distribution regarding new construction, adaptive re-use and rental conversions matches the BRA tallies, which is not surprising since the BRA reconciled these counts with the Boston Assessor's office, which was the source of the EOCD/Abt data.

Note that these condominium counts are based on master deeds filed, not on actual sales. From 1985 on, it is likely that a backlog of unsold condominiums has developed, that is, rental units not yet converted, already assessed as condominiums based on master deeds but not yet acquired as such by new owners.

stock was in condominium tenure, up from only 2.2 percent in 1980 -- and by the end of 1988, there were nearly 34,000 condominiums, over one unit in every eight in the City.

The vacancy rate dropped only slightly from 9.5 to 9.2 percent, as some 23,050 units remained vacant. Mobile homes and seasonal units in Boston are insignificant and only included so that all numbers tally properly.

CHANGE 1980 - 1986

The stock experienced 10,334 gross additions in six years, over 1,700 each year -- with only slightly over half (56.1 percent) through new construction. Meanwhile, 4,358 or over 42 percent of the units were created through adaptive re-use conversions, which includes accessory apartments. Losses through demolitions, which had been so serious during the 1960s and 70s, had dwindled to less than 1,400 units citywide, or fewer than 250 units per year.

Of the total 5,796 units of new construction, 2,512 were condominiums. The balance were virtually all multifamily units, including many which were assisted to make them affordable. Less than one-quarter, or 1,013 of the 4,358 adaptive re-use conversions were condominiums. Over four-fifths, or 16,986 of the 20,511 additional condominiums consisted of conversions of formerly rental properties.

Note that despite over 10,000 units of new construction and adaptive re-use, the City lost 9,029 rental units in just six years, or over 1,500 annually. However, most of these were not demolished, but upgraded into condominiums and, based on the data indicating an increase in multifamily resident-ownership, 84 percent of all additional condominiums were resident owned.

In the surrounding MAPC region, the housing stock grew 5.2 percent, and there was also a marked shift towards multifamily owner-occupancy, as shown in Table 2B.⁶ Single family homeownership increased by 22,262 units, just about maintaining the 1980 average of 41.8 percent of total stock, while resident ownership in multifamily structures increased by 40,398 -- an increase of 42.6 percent in just six years. Most of these are

⁶ The MAPC region includes basically the area within Route I-495, and housing development has continued throughout this region at a pace only slightly slower than statewide.

TABLE 2B:	METROPOLITAN BOSTON				(MAPC Region)	
Housing Stock Type	1980		1986		Gain '86-'80	
Total HOUSING STOCK	1,100,776	100.0%	1,158,161	100.0%	57,385	5.2%
Own-occ. units	557,287	50.6	621,179	53.6	63,892	11.5
Single family	459,706	41.8	481,968	41.6	22,262	4.8
Multifamily	94,816	8.6	135,214	11.7	40,398	42.6
Renter-occ. units	482,809	43.9	474,339	41.0%	(8,470)	-1.8%
Mobile homes	3,768	0.3	5,088	0.4	1,320	35.0
Seasonal units	10,716	1.0	11,185	1.0	469	4.4
Vacant year-round	49,964	4.5	51,446	4.4	1,482	3.0
Condominiums	20,678	1.9	78,623	6.8	57,945	280.2%
CHANGE '80 - '86:			Total stock change		Condominium change	
Gross additions:			60,987	100.0%	57,945	100.0%
New construction			53,746	88.1	13,817	23.8
Adapt.re-use conv.			7,241	11.9	2,631	4.5
Rental conversions					41,497	71.6
Demolitions			3,602	-5.9		
Net change			57,385	94.1		

Source: EOCB/Abt Assoc. Housing Inventory + Policy Indicators, Vol. II, p. 36

probably in the region's 78,623 condominiums, which grew to comprise nearly 7 percent of the region's stock in 1986.

This regional surge in condominiums is remarkable, yet less than one quarter of the 57,945 additional condos were created through new construction, as detailed in the lower portion of Table 2B. Nearly 72 percent, or 41,497 units were rental conversions, accounting for the noteworthy decline of 8,470 renter-occupied units throughout the region in six years.

This annual loss of over 1,400 rental units throughout the MAPC region reveals that Boston's significant loss of rental housing was not offset by much new rental development within the rest of the region.

Note that Boston, with only 21.6 percent of the MAPC region's total housing stock, experienced a loss of 9,029 formerly renter occupied units, greater than the total loss of 8,470 such rental units throughout the entire region. No wonder regional rents have soared. The loss of rental housing has been very acute, forcing hardship upon households unable to buy anywhere and competing with existing tenants for the dwindling supply of rental stock.

The MAPC vacancy rate of 4.5 percent in 1980 seems normal for stock in which single family homes are a larger share. This rate dropped slightly to 4.4 percent in 1986. This means that Boston's higher vacancy rate of 9.2 percent indirectly suggests new policies might be able to reclaim more of the 23,050 units that were vacant in the City in 1986.

In terms of change '80 - '86, the majority of the MAPC region's 53,746 units of new construction was probably single family homes, with much of the multifamily development divided between condominium and rental tenure. As already noted, only 23.8 percent of the region's condominiums were newly constructed.

Demolitions in the region slowed sharply after 1980, and Boston accounted for 1,394, or about 39 percent of the 3,602 demolitions throughout the region.

Massachusetts housing stock data are shown in Table 2C. They are included to show that in terms of percentage composition, the MAPC region differed only modestly from the State as a whole. In 1986, the region had slightly more multifamily units and had gained more condominium units from rental conversions.

TABLE 2C: MASSACHUSETTS STATE TOTALS

Housing Stock Type	1980		1986		Gain '86-'80	
Total HOUSING STOCK	2,208,146	100.0*	2,350,424	100.0*	142,278	6.4*
Own-occ. units	1,169,819	53.0	1,300,640	55.3	130,821	11.2
Single family	989,159	44.8	1,059,429	45.1	70,270	7.1
Multifamily	169,341	7.7	225,915	9.6	56,574	33.4
Renter-occ. units	862,898	39.1	858,077	36.5	(4,821)	-0.6*
Mobile homes	15,083	0.7	19,957	0.8	4,874	32.3
Seasonal units	68,005	3.1	76,845	3.3	8,840	13.0
Vacant year-round	107,424	4.9	114,830	4.9	7,406	6.9
Condominiums	29,730	1.3	123,207	5.2	93,477	314.4*
CHANGE '80 - '86:			Total stock change		Condominium change	
Gross additions			152,513	100.0*	93,477	100.0*
New construction			143,195	93.9	25,484	27.3
Adapt.re-use conv.			9,318	6.1	3,463	3.7
Rental conversions					64,530	69.0
Demolitions			10,235	-6.7		
Net change			142,278	93.3		

Source: EOCD/Abt Assoc. Housing Inventory + Policy Indicators, Vol. II, p. 16

SUBSIDIZED HOUSING STOCK IN 1987

Table 3 shows that one unit in every five is subsidized in Boston, whereas on average one in ten is subsidized within the MAPC region. Note that the EOCD/Abt data indicate that 6,300 subsidized units were tenant-based, that is through rent certificates issued to tenants, and 44,398 subsidized units were property-based, meaning that the subsidy went directly to the housing supplier.⁷

TABLE 3: 1987 SUBSIDIZED HOUSING: EOCD, MHFA, HUD -- Number of Units

	<u>Boston City</u>		<u>MAPC Metro Area</u>		<u>Mass. Statewide</u>	
Total Housing Stock	250,384	100.0%	1,158,161	100.0%	2,350,424	100.0%
Total subsidized d.u.	50,707	20.3	117,903	10.2	204,912	8.7
HOP homeownership d.u.	9	0.0	21	0.0	89	0.0
Tenant-based subs.	6,300	2.5	21,162	1.8	40,278	1.7
Prop.-based rentals	44,398	17.7	96,720	8.4	164,545	7.0
Public housing	15,707		44,299		80,356	
Subs.priv.housing	14,600		22,621		35,219	
MHFA/EOCD supported	22,713		49,380		85,430	
Rents and Income Limits	<u>Boston City</u>		<u>MAPC Metro Area</u>		<u>Mass. Statewide</u>	
'86 HUD FMRent 2BR	\$670		\$663		\$582	
'86 MA Ch707 Max 2BR	\$629		\$637		\$583	
'86 HUD Med.Income	\$34,000					

Source: EOCD/Abt Assoc. Housing Inventory + Policy Indicators, Vol.II, pp. 16, 17, 36, 106.

⁷ These totals for assisted housing seem about right. Assisted housing is difficult to tally, since it includes units produced under many State and federal subsidy and insurance programs since the 1940s, some of which have reverted to the private market.

The demarcations between public housing, subsidized private and MHFA/EOCD are also hard to draw because any given development may piggy-back several sources of assistance to become economically viable. Thus the total property-based rentals are considerably less than the sum of the components.

The BRA and BHA consider the Boston public housing count to be higher, closer to 18,000 units, but many of these remain vacant and uninhabitable. Presumably, the difference of some 2,000 units is part of Boston's 23,050 vacant, year-round housing potential, shown in Table 2A.

Seen another way, Boston contains 43 percent of the region's assisted housing, despite having less than 22 percent of the region's total stock. Boston has twice its "share."⁸

The bottom portion of Table 3 also contains the local rent and income levels from the EOCD/Abt study. These may not be fully accurate or current. In any case, they are subject to change. However, the benchmarks of \$629 - 670 in maximum 2 bedroom rents and \$34,000 for median income, are useful.

⁸ The MAPC region with Boston subtracted comprises a community of 907,800 dwellings. Only 5.8 percent of the units have property-based subsidies, and another 1.6 percent have tenant-based subsidies. Altogether, in the MAPC region exempting Boston, only 7.4 percent or one unit in fourteen comprises subsidized housing.

